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CENTRAL INTELLIGENCE AGENCY

REPORT NO.

INFORMATION REPORT

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COUNTRY China CONFIDENTIAL

18 July 1949 DATE DISTR.

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Shipping and Trade, This document is hereby regraded to CONFIDENTIAL in accordance with the letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States.

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SUPPLEMENT TO REPORT NO

DATE OF INFO. 25X1X

> 1. The SS TIMPTSIN and TAIPING (two Chinese freighters) off-loaded in Tsingtao about 100 tons of corn each*. The TAIPING was in Tsingtao as of 1° July. On 6 July the TRATSIN left, presumably for Tientsin.

- P. The NA BAE (British) left for Lienyunkans on 6 July and returned to Tsinstao on 8 July with a cargo of coal. The SAN MDUARDO (Panamanian), which left for Chefoc on 4 July, returned on 5 July to replace bad bunker coal with good coal, and left again for Chefoo on 6 July. On 8 July the MASTERN TRADER (Panamanian) returned ** from Lienyunkang with 1,900 tons of coal.
- 3. All of the vessels which have recently called at Tsingtao***, with the exception of the GARMA (Norwegian), the PRESIDENT TAFT (American) and the DARTMOUTH VICTORY (American), have carried cargo only for the Chinese Communist Bureau of Industry and Commerce****, whose main office is at 2% Suiyuan The GERMA brought coal for the Tsingtao electricity works, and the PRESIDENT TAFT and the DARTMOUTH VICTORY brought raw cotton for the textile industry.
- 4. All of the vessels except the three mentioned above are under a time charter to YUAR TUNG ****, Hong Kong. One representative of the charterer is on each ship. The MASTREN TRADER, for instance, is on a two-month period charter with two months' option. The charterer pays Hong Kong \$85,000 a month in addition to war risk insurance.
- The Communist Bureau of Industry and Commerce handles all of the trade in Tsingtao. Both Customs and the Harbor and Wharf Administration are under this bureau.
- 6. Eighty junks left Chefoo with a cargo of corn and miliet for Tsingtao. Only four of the junks have arrived in Tsingtao, because the rest were commandeered by Nationalist naval units.
- Since the middle of June a former Japanese fishery protection trawler of C-3 7. about 500 tons displacement has been in the Tsingtao inner harbor. This trawler was formerly with the Chinese Nationalist Navy as Number 201.

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About March 1949 the ship deserted at Changsanchou (sic) and joined the Communists at Chefoo. It is judged to have two 40 mm guns, two 20 mm guns and two machine guns. The ship's personnel have the same uniform as the Communist soldiers. The ship flies a large red flag with the hammer and sickle in one corner and the letters "CCP" in a lower corner, all in gold. 25X1A Comment. it was stated that the TITITSIN and the TAIPING arrived in Tsingtac on 30 June with cargoes of corn. 25X1A 25X1A Comment. it was stated that the EASTERN TRADER left on 5 July for Lienyunkang. See supplemented reports. 25X1A 25X1A referred to an Industrial and Trade Comment. Section of the Communist Military Control Board. 25X1A

Comment. Possibly this is the YUEN KUNG Company, Hong

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